# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

UNSTARRED QUESTION NO:4770
ANSWERED ON:24.08.2000
CESS CHARGED ON DIESEL
RAGHUVANSH PRASAD SINGH

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether cess of rupee one per litre is being charged on diesel;

(b) if so, the details thereof;

(c) the head under which the said amount of cess has been kept; and

(d) the items on which this amount is proposed to be spent?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): Yes, Sir. An additional duty of customs as well as excise at the rate of Re.1 per litre is charged on imported and indigenously produced diesel respectively. This duty sometimes referred to as `cess` was levied in the Union Budget1999-2000. No separate Head as `cess` has been created.

(d): Together with the Re.1/litre additional customs/excise duty on motor spirit (levied in Budget 1998-1999), the additional levy on diesel is proposed to be utilized in Budget Estimates 2000-01 as follows:

| | |
|---|---|
| Rural Roads | Rs.2500 crore |
| National Highways | Rs.2010 crore |
| State Roads | Rs.990 crore |
| Railways | Rs.300 crore |